

Congress of the United States
Washington, DC 20515

March 16, 2020

The Honorable Jovita Carranza
Administrator
United States Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Administrator Carranza:

Thank you for your commitment to protecting American small businesses as our nation faces the devastating health and economic impacts of the COVID-19 pandemic. From the time that reports of this disease first reached the U.S. early this year, our constituents have reported drastic decreases in revenue for their small businesses, particularly in the Asian American community.

Asian Americans own approximately 2 million businesses in the United States¹ that contribute over \$700 billion in annual revenue² and employ a total of nearly 4.5 million workers. And of these firms, more than 173,000 conduct business in Asian languages, including Chinese, Japanese, Korean, Tagalog, and Vietnamese.³ These businesses support a vibrant Asian American community and represent the very best of the American Dream.

Since January, misinformation and xenophobia relating to the COVID-19 outbreak have driven customers away from Asian-owned businesses. In New York City's Chinatown, business is down 40-50%.⁴ In California, Los Angeles and San Francisco Chinatown businesses have also experienced major reductions and Asian Americans have suffered racist and xenophobic attacks.⁵ Also in California, a fraudulent letter with the logos of the World Health Organization, Centers for Disease Control and Prevention, and County of Los Angeles was circulated that instructed people to avoid Asian American local businesses based on false claims of exposure to the virus.⁶

¹ U.S. Census Bureau, 2012 Survey of Business Owners

² <https://www.nielsen.com/wp-content/uploads/sites/3/2019/04/nielsen-asian-american-consumer-report-may-2016.pdf>

³ U.S. Census Bureau, 2016 Annual Survey of Entrepreneurs

⁴ <https://www.pix11.com/news/local-news/manhattan/chinatown-looks-to-dispel-coronavirus-fears-ahead-of-lunar-new-year-parade>

⁵ <https://www.latimes.com/california/story/2020-03-03/feinstein-decries-unconscionable-racism-amid-coronavirus-outbreak>

⁶ <https://www.nbclosangeles.com/news/local/fake-letter-claiming-coronavirus-outbreak-in-carson/2301489/>

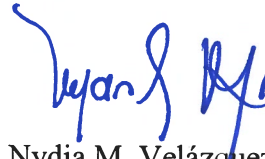
As the disease spreads in the United States, necessary social distancing measures have compounded these already-severe impacts and further endanger small businesses. Small businesses often operate on very slim margins, and the disruption on the level of COVID-19 has meant that some businesses are at risk of closing their doors permanently. This hurts not just business owners, but their employees and the communities they serve. Congress has responded by extending SBA's Economic Injury Disaster Loan (EIDL) to small businesses affected by the outbreak and continues to work with the President to provide more aid for businesses and workers. It is imperative that SBA ensure that these resources reach all business communities, including those with limited English proficiency.

We ask you to provide us with detailed information within one week on SBA's actions and plans to provide assistance, materials, outreach, and official communications in Asian languages. Thank you for your attention to this matter and we look forward to working with you to help small businesses during this difficult period.

Sincerely,

A handwritten signature in blue ink that reads "Judy Chu". The signature is fluid and cursive, with the first and last names clearly distinguishable.

Judy Chu
Chairwoman
Subcommittee on Investigations,
Oversight and Regulations
Committee on Small Business
U.S. House of Representatives

A handwritten signature in blue ink that reads "Nydia M. Velázquez". The signature is cursive and includes a stylized flourish at the end.

Nydia M. Velázquez
Chairwoman
Committee on Small Business
U.S. House of Representatives